



**Australian Government**

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**Department of Defence**  
Security and Estate Group

**SECURITY & ESTATE GROUP**

**ESTATE PROJECT HANDOVER / TAKEOVER POLICY**

## DOCUMENT ADMINISTRATION

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### Related Documents

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### Approved

<b>Name</b>	<b>Title</b>	<b>Signature</b>	<b>Date</b>
M. Hamilton	FAS SD	(BS45493704)	20 Feb 2020
C. Birrer	FAS I	(BS45493704)	21 Feb 2020

## **Introduction**

1. The Defence estate is a critical enabler of Australia's defence capability and supports the generation and sustainment of the Australian Defence Force (ADF). The 2016/36 Defence Estate Strategy has five Estate Strategic aims that detail how a fit-for-purpose, safe, compliant and sustainable Defence estate is to be developed and maintained. Security & Estate Group (SEG) is responsible for the stewardship of the Defence estate and achievement of the estate strategic aims. A substantial component of this responsibility includes the delivery and governance of estate projects. To ensure that the expected project outcomes are delivered and to implement a structured and auditable approach to Defence accepting delivered project items, a Handover and Takeover (HOTO) process culminating in a formal acceptance by Defence is required.

2. To minimise issues during a project's planning, design, delivery & defect liability period (DLP) phases and to streamline the Handover / Takeover (HOTO) process; it is essential that all Defence estate projects satisfy and complete a range of legislative, Defence policy, estate compliance and estate information requirements during these phases. Ensuring compliance with these Defence requirements is achieved by understanding roles and responsibilities, early planning and engagement, ongoing consultation, use of the Defence HOTO Plan and Checklist to plan, implement and assure critical HOTO related activities throughout the project lifecycle.

## **Purpose**

3. The purpose of the HOTO policy is to ensure that all estate related projects adhere to a systematic process to demonstrate that the project management practices, actions and deliverables comply with legislation, Australian Standards and Defence policy and instructions to deliver safe, compliant and fit for purpose facilities.

## **Scope**

4. The HOTO policy applies to all estate projects delivered on the Defence estate. Estate projects include:
- a. Facilities and infrastructure construction, re-purposing, refurbishing, maintenance, land acquisition or disposal, leasing (including Government Furnished Facilities [GFF]) / Government Furnished Equipment [GFE]) and environmental projects; and
  - b. Projects delivered and / or managed by Defence personnel (Australian Public Service [APS] and ADF) and contracted entities.

## **HOTO Policy**

5. The HOTO process includes a HOTO Plan & Checklist, Data Provision Checklist, a Responsible, Accountable, Consulted, Informed (RACI) matrix and a workflow diagram. The HOTO Plan & Checklist are to be used for all estate projects to demonstrate that HOTO requirements have been considered, the required evidence is compiled, stored and available for assurance by project stakeholders.

6. For projects that meet the criteria described in paragraph 4, PD and PM are to ensure that Defence and project contracts specify the use of the HOTO process available on the Estate Resources Information Kiosk (ERIK). The contracts are to specify that projects are responsible for producing accurate and complete estate data at the required times and in the specified format detailed in the HOTO process and ERIK.

7. The HOTO process methodically validates and ensures critical compliance and safety requirements are being met for estate related projects. Therefore, the HOTO process must be used by all Services, Groups or their contracted entities as part of a quality approach to delivering projects or maintenance activities that affect the Defence estate.

### **HOTO Process Benefits**

8. The HOTO process is a progressive assurance activity that commences in the project development phase and concludes at the end of the defects liability period (DLP). To achieve the benefits of an effective HOTO, the process requires continual stakeholder engagement and information delivered throughout the project lifecycle at the right time to inform project delivery and sustainment. By following an agreed HOTO protocol, clarifying responsibilities and promoting collaboration between all project stakeholders, the following benefits will be gained:

- a. project stakeholders have greater alignment and clarity about project quality, compliance and delivery requirements;
- b. project issues are identified early, risks reduced and issues can be resolved earlier in the project lifecycle;
- c. minimise project cost variations caused by differing stakeholder expectations and understanding on project quality, compliance and delivery outcomes;
- d. reduce the number of delayed handovers and subsequent period on non-occupation; and
- e. improve the effectiveness of ongoing in-service management and maintenance support, while reducing 'whole of life' sustainment costs for project deliverables.

### **Authority**

9. The HOTO policy is issued under the joint authority of the First Assistant Secretary Service Delivery (FAS SD) and the First Assistant Secretary Infrastructure (FAS I). Sponsors of the policy are the Director General Estate Services Delivery (DGESD) and the Director General Capital Facilities & Infrastructure (DGCFI). The Directorate Estate & Land Management (DELM) is the administering authority of the HOTO policy, which includes ensuring that the policy, HOTO Plan & Checklist remain current.

### **Roles and Responsibilities**

10. The following key roles and responsibilities apply for HOTO:

- a. **Defence Representative.** The Defence Representative (Zone Director Service Delivery (DSD) or authorised delegate (e.g. Zone AD EM&P) is responsible for Takeover (TO) or accepting the delivered works from the Commonwealth

Representative (CFI projects - Project Director) and/or PMs, for ongoing sustainment by SDD and Base Services Contractors and enabling its use by the RU for its intended purpose. The acceptance is confirmed by the Defence Representative being satisfied that all project deliverables are satisfactorily completed, are safe and fit for purpose, Defence estate information requirements are met, incomplete or defective works have an acceptable remediation plan and signing the completed HOTO Plan & Checklist to that effect.

- b. Zone EM&P Representative.** The Zone EM&P representatives are responsible to contribute to key project activities, identify and raise project issues to the PMCA / PM for resolution and ensure appropriate SDD support is provided throughout the project lifecycle. At HOTO, the Zone EM&P representative validates the HOTO Plan & Checklist once completed by the contractor and PMCA / PM and prepares the HOTO submission and recommendation to the Defence Representative.
- c. Project Manager Contract Administrator (PMCA) / Project Manager (PM).** The PMCA / PM are responsible for managing, assisting and guiding the Contractor with development of the HOTO Plan & Checklist. The PMCA / PM are to ensure that the Contractor has provided all evidence to demonstrate that all project deliverables have been satisfactorily completed, are safe and fit for purpose and the Defence required estate information is accurate and completed. For CFI projects, the PMCA will give directions and carry out all of the other functions under the PMCA services contract and project contract as the agent of the Commonwealth. For EWP projects, the PM role is fulfilled by the Project Delivery Services (PDS) contractor. The PMCA or PM shall not delegate or transfer their HOTO responsibilities to the Estate Maintenance & Operations Services (EMOS) contractor.
- d. Contractor.** The Contractor (can be the Head Contractor, Head Contractor (Medium Works), Managing Contractor and/or Design Services Contractor ) is responsible for conducting all Contractor HOTO obligations within any applicable timeframe prescribed by, or determined in accordance with the HOTO requirements. This includes initiating and ongoing management of the HOTO Plan & Checklist and works are satisfactorily completed, safe, fit for purpose and Defence specified estate information requirements (as detailed on Annexure 1 of the contract) are met.
- e. EMOS.** Throughout the project lifecycle the EMOS have two primary roles: to provide advice to the Defence Representative, PMCA / PM and Contractor about Defence estate information and whole of life maintenance requirements. EMOS are to ensure that their applicable specialists (subject matter experts [SME]) who understand the project requirements are present at all applicable project meetings, as required.
- f. Project Support Services (PSS).** . EMOS PSS staff are the EMOS representatives who provide industry expertise and site knowledge to assist projects to maximise the effectiveness of project delivery and achieve project outcomes. PSS will directly provide and/or coordinate the provision of EMOS services in support of all CFI and EWP projects.

- g. **Project Stakeholders.** Project stakeholders are to attend required project estate planning, design and delivery meetings and contribute to the HOTO process by assisting in the assessment that the facilities are satisfactorily completed, safe and fit for purpose. During the Design phase and at HOTO, all stakeholders (determined at project commencement) are required to sign, acknowledging their acceptance of the scope, design and delivered works.
- g. **RU.** In addition to being stakeholders, RU are not to occupy or use facilities until the HOTO process has been completed and the facilities have been accepted by the Defence Representative and access is granted.

11. The Defence project delivery authorities (PD, PM, PMCA, MC and HC) are responsible for the implementation of the HOTO policy requirements and ensuring that Defence personnel and project contracted entities provide the required project deliverables, outcomes, Defence requirements and evidence of compliance. Respective responsibilities are detailed in the project contract and HOTO Plan & Checklist RACI matrix.

### **HOTO Plan & Checklist**

12. The HOTO process includes the HOTO Plan & Checklist for use by the PD / PM and all identified project stakeholders. The HOTO Plan & Checklist are to be used for all estate projects to demonstrate that HOTO requirements have been considered, the required evidence is assembled and available for scrutiny by project stakeholders.

13. The EMOS contractors must use the HOTO Plan & Checklist when delivering SEG EWP allocated maintenance projects, which includes engaging the Zone Estate Management & Planning representative and project stakeholders. In addition to the delivery of responsive, scheduled or performance-based maintenance on the Defence estate, EMOS deliver substantial maintenance works through the Alternative Proposal (AP) process. In both maintenance and AP activities, application of the HOTO principles by EMOS and, guided by the HOTO Plan & Checklist will assist the EMOS in identifying changes to estate information and managing the currency and accuracy of Defence estate information resulting from their estate maintenance tasks. Use of the HOTO Plan & Checklist by EMOS for maintenance activities, including AP, should therefore be part of their quality system to ensure consistency in the manner in which records are created or updated and contract change proposals developed as required.

### **Related Instructions and Business Rules**

14. From time to time, SEG may publish instructions and business rules to support implementation of the HOTO policy and successful completion of HOTO activities. Project stakeholders should refer to ERIK and the HOTO Plan & Checklist for more information about applicable instructions and business rules.